THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P. K. THUNGON): (a) 181 Central Public Sector Undertakings earned a net profit of Rs. 481.28 crores during the first half year of 1990-91 against a net profit of Rs. 1103.25 crores earned by 176 enterprises during the corresponding period of 1989-90.

(b) Some of the main reasons for decline in profitability are: Increase in Iron & Steel Prices not commensurate with increase in costs for inputs, heavy drop in production due to power failure, strike at Bombay Refinery (Hindustan Petroleum Corpn. Ltd.) and flooding of sub-station 132 KVA Vizag Refinary due to cyclonic storm in May, 1990, drop in sales and also charging of operating expenses of Rs. 55 crores from Maharashtra Gas Craker Complex (Indian Petro-chemicals Corporation) which is yet to start commercial production, grounding of A-320 aircraft, adverse change in exchange rate of US and the increase in landing and navigational charges by Airport Authority (Indian Airlines) uncovered gap between price and costs of ships and high interest liability (Cochin Shipyard), etc.

(c) and (d) Improving working of the Central Public Sector Undertakings is a continuous process. Enterprise specific steps are taken by the concerned adiminstrative Ministry/ Department. Some of the measures taken are product-mix, technological upgradation,, improved maintenance management practices, energy conservation, modernisation and rehabllitation, organisational restructuring, introduction of MOU, etc.

Production of kerosene and diesel from natural gas

127. SHRI KRISHNA KUMAR BIRLA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that according to a study conducted by scientists at the National Chemical Laboratory, Pune, production of kerosene and diesel is feasible from the natural gas;

(b) if so, what are the details thereof;

(c) what is the estimated cost required for the technology to convert natural gas into kerosene and diesel; and

(d) whether in view of the current oil prices in the world market, the technology is considered to be viable?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SMT. MARGARET ALVA):

(a) Yes, Sir. National Chemical Laboratory (NCL) Scientists have developed a catalyst to convert natural gas to kerosene and diesel and demonstrated its feasibility on a laboratory scale.

(b) The project of putting up a one tonne per day pilot plant for the process has been funded by the Centre for High Technology, Government of India. The pilot plant is being set up by Bharat Petroleum Corporation Limited (BPCL), Bombay, based on the design of NCL and Davy Power Gas India. The pilot plant will enable studying the technical feasibility of the catalyst and the process for conversion of natural gas to kerosene and diesel on commercial scale.

(c) and (d) Determination of the commercial viability of the technology and the cost of the plant will depend upon the outcome of technical feasibility of the process.

128. [*Transferred to the 6th September*, 1991]

Allocation of Funds to States

129. SHRI RAMDAS AGARWAL: Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) what are the broad planning norms kept in view by the Planning Commission while allocating funds to various States with regard to Power, Education and Drinking water supply;